

Innovations for Scale and Sustainability in EITC Campaigns

Connecting EITC and Asset Building to Workforce Development One-Stops: Lessons from Louisville, KY



Economic Opportunities Program

Funded by The Annie E. Casey Foundation

**Written by: Amy Brown
Project Director: Kirsten Moy**

December, 2004

Innovations for Scale and Sustainability in EITC Campaigns

Connecting EITC and Asset Building to Workforce Development One-Stops: Lessons from Louisville, KY*

December, 2004

Executive Summary

In early 2004, the Louisville Asset Building Coalition (LABC) began planning and implementation of a pilot project with the goal of expanding free tax preparation, financial education and access to financial services by partnering with the local workforce development agency. The goal of the pilot was to integrate asset building activities into the operations of Louisville one-stop centers.

Planning, implementation and research in the first nine months included:

- Meeting with senior staff of the local Workforce Investment Board and targeted one-stop centers.
- Identification of partner organizations and assignment of roles and responsibilities.
- Placement of an LABC partner agency staff member on-site at the city's largest one-stop center.
- Scheduling of regular financial workshops at the one-stop, with topics tailored to the needs of customers.
- Introduction of financial education topics into welfare-to-work classes taking place at the one-stop.
- Individual counseling and linkages to accounts, credit repair assistance and asset building opportunities.
- Planning for expansion of free tax preparation services at the one-stop center.
- Integration of outreach for pilot services into regular one-stop customer interactions.

This document summarizes the experience and learnings from early pilot implementation and considers the potential of this model for achieving scale, sustainability and impact in EITC campaigns. Overall, the pilot appeared to offer a promising model for expanding services in an efficient and effective way. However, the pilot also raised critical implementation issues as well as key questions about its potential for scale and sustainability. Early lessons include:

- One-stops appear to be promising locations for reaching the target audience for the EITC, financial education and asset development. Customers are low-income, largely unbanked, and have questions about their financial futures.
- The one-stop model of providing an assortment of services under one roof made it easy to integrate the financial services piece. Systems were already in place to route customers to different programs based on their individual needs.

* Special thanks to the following individuals, who provided information and assistance in developing this paper: Carol Neal and Stacey Elzy, Members First Federal Credit Union; and Jack Northrup, New England Market Research, Inc.

- Not all one-stop locations appear to be good fits for this model. Larger centers, serving more customers with a greater variety of programs appear to offer the best opportunities for adding the financial piece.
- Interest in financial information among one-stop customers appeared to be strong. While the pilot provided education mostly in the form of group workshops, there appears to be significant demand for individualized counseling as well.
- The creation of a Financial Resource Center gave the project a physical presence at the one-stop that made it more real for customers and staff, and seems to have helped make the project successful.
- Despite the involvement of the one-stop staff in referring customers to the Financial Resource Center, investment in direct outreach is critical. The scale of the project was limited by the fact that LABC was only at the site two days each week.
- The pilot's biggest challenge was connecting one-stop customers with savings accounts, check cashing, loans and other products without having a credit union branch on-site or nearby. Without this component, the project is primarily limited to financial education.
- The one-stop leadership in Louisville was extremely receptive to the pilot. However, replication depends on other cities showing equal interest – and it remains to be seen if they will. Furthermore, sustaining and growing the project in Louisville would require more significant investment by the WIB.

I. Background

The Annie E. Casey Foundation has been an active supporter of Earned Income Tax Credit Campaigns across the United States. Building on existing infrastructures in their communities, these campaigns provide: (1) education and assistance to promote the EITC and other tax credits for qualified working poor families; (2) free or low-priced quality tax preparation services; and (3) links to other programs and services so that tax filers can use their refunds to begin building financial assets.

While the campaigns have helped hundreds of thousands of low-income workers receive tens of millions in tax refunds, they have proven to be expensive and labor-intensive to operate. Given the campaigns' ambitious goals and limited resources, there has been increasing interest in identifying alternative models that have greater potential for scale, sustainability and impact. Beginning in late 2003, the Annie E. Casey Foundation, working through the Aspen Institute's Economic Opportunities Program, provided grants and technical assistance to a limited number of EITC campaigns to support the design, development and pilot implementation of innovative approaches to EITC outreach, tax preparation and asset development.

The Louisville Asset Building Coalition proposed a pilot whereby financial education, tax preparation and linkages to financial services would be provided to customers of the city's one-stop workforce development centers.

The Pilot Partners

The Louisville Asset Building Coalition is an alliance of more than 30 human services organizations that are committed to promoting financial stability for low-income individuals and families. LABC initiatives include EITC outreach, free tax preparation, Individual Development Accounts (IDAs), financial literacy, mainstream financial services and credit counseling.

LABC members involved in the pilot include:

- The Center for Women and Families provides financial literacy training and operates an IDA program.
- Consumer Credit Counseling Service (CCCS) provides money management, savings and credit repair assistance through group workshops and one-on-one counseling.
- Kentuckiana Works, the Greater Louisville Workforce Investment Board (WIB), is a business-led board that (as required by the federal Workforce Investment Act) establishes overall workforce policy and oversees the one-stop system.
- The Kentucky Department of Employment Services administers the one-stop system in Louisville.
- The Kentucky Financial Literacy Foundation served as fiscal agent for the pilot grant.
- Members First Federal Credit Union, with six branch locations in Louisville, offers a comprehensive array of financial services to its members.

II. The Innovation Model

One-stop centers, created by Congress under the Workforce Investment Act, co-locate a variety of employment-related services. The goal of the federal legislation was to coordinate and streamline government programs, improving operations and better assisting community residents. By working within the one-stop system, the LABC hoped to build on this existing infrastructure to meet the financial needs of low- and moderate-income families. According to the proposal:

Most One-Stop customers are experiencing short- or long-term financial difficulties, often brought to the fore by recent life changes. Some have just lost jobs and income, while others are about to enter the workforce for the first time. A permanent presence in the building by Members First Federal Credit Union and The Center for Women and Families staff dedicated to EITC outreach, financial education, financial services and asset building would allow the One-Stop to create a seamless connection to unemployed and underemployed low and moderate wage working families.

Services planned under the pilot included:

- evaluation of individual financial services needs
- free income tax preparation

- access to savings accounts and other credit union products
- financial education and home ownership education
- referral to credit counseling services
- referral to the Youth and Adult Individual Development Account Program
- referral to the Home Ownership Partners program
- referral to a volunteer coach (under the LABC's Louisville Saves program) for help achieving a debt-reduction or savings goal

The pilot also aimed to take beginning steps towards further integration of services into the one-stop model by:

- developing flow charts describing one-stop operations and identifying key points for financial services information and referral;
- considering whether certain subgroups of one-stop customers should be targeted for specific financial services based on their unique needs; and
- updating or revising one-stop forms and other materials to promote full integration of financial services.

The ultimate goal of the pilot is to fully integrate financial education and financial services into one-stop operations, developing a model whereby financial services would not just be offered inside the physical space of the one-stop, but would be an integrated part of the center's work – including a significant commitment of staff or other resources on the part of the Department of Employment Services.

III. Pilot Implementation

Identifying Partners and Developing Relationships

In early 2004, the LABC began planning and implementation of the pilot. The first step was to meet with one-stop leadership to propose the idea and gain buy-in for the project. In early February, the Center for Women and Families met with Michael Gritton, Executive Director of Kentuckiana Works, Dennis Carman, Director of the 6th & Cedar one-stop, and Robert Jordan, Director of the NIA Center one-stop. Coming out of that meeting, the Center for Women and Families had the commitment of all three men for space, access to clients and coordination of services to incorporate financial services into the one-stop model. While the original hope was that the Department of Employment Services would take the lead in pilot implementation, however, they were not at that point prepared to commit that level of staff time or resources to the initiative.

Meanwhile, the Center for Women and Families was also looking for a financial institution partner to provide access to bank accounts, loans and other financial services as part of the pilot. Members First was the obvious choice, based on their mission of community service and their leadership role in the LABC. While there were early questions about Members First's capacity to participate at this time, they soon came on board and agreed to take on the main leadership role, dedicating staff, coordinating services and tracking pilot outcomes.

Members First also had a special interest in the pilot at the NIA Center location. The credit union had recently opened a branch in the lobby of the NIA Center and was disappointed by the low volume of customers; the site – a multi-service building and public transportation hub – had seemed to promise more traffic than materialized and they were eager to increase activity at the branch. Furthermore, having the branch right outside the one-stop's door offered a potentially powerful benefit for the pilot, as one-stop customers could easily open an account and access other credit union products and services.

Mapping of Existing One-Stop Services

The next step was to better understand the variety and flow of services at the two one-stop locations, in order to determine what services to provide under the pilot and how to best integrate them into the one-stop model. It quickly became clear that the two offices operate very differently and serve somewhat different customer bases.

The 6th & Cedar one-stop offers a full range of employment-related services to as many as 1,500 people each week. Programs include Unemployment Insurance, skills testing and assessment, welfare-to-work, job search, job placement, adult education and access to job training, as well as specialized programs for veterans and dislocated workers. The center also houses a supervised Resource Center where community residents can use computers to access the Greater Louisville Works jobs database. All one-stop customers begin at the main Help Desk, where staff complete a routing slip for services based on individual needs. During the 2004 tax season, the one-stop operated a free tax preparation site, but the site was small – completing only about 50 returns – due to limited staff and volunteer support.

The vast majority (approximately 85%) of 6th & Cedar customers come to the center for Unemployment Insurance. They apply on-line using computers in the Resource Center and are required to participate in job search activities as a condition of receiving the benefits. The second largest category of customers is walk-ins who use the Resource Center for self-directed job search. A third key group is welfare recipients who are required to participate in job readiness classes under the Kentucky Works program. These individuals (15-20 participants attend each month-long class) were the only one-stop customers receiving financial education prior to implementation of the pilot. They receive information on budgeting from the Jefferson County Extension Service.

The NIA Center one-stop is a much smaller office, with a computer resource center as well as information and referrals. The center serves 50-100 walk-in customers each week. Two staff members take turns working at the front desk and circulating among customers, providing assistance as needed. The staff also help customers apply for job training assistance and offer workshops on setting employment goals and how to conduct a job search.

Development of Pilot Service Plan

Based on the assessment of services at each one-stop center, the LABC decided to focus its attention primarily on the 6th & Cedar location for pilot implementation. The larger center offered not only a higher volume of potential participants, but also ideal space for workshops,

tax preparation and other activities, and a service model that presented multiple opportunities for integration of financial services.

The following decisions were made regarding what services would be offered and how they would be integrated into the 6th & Cedar one-stop:

- All pilot services would be included on the internal routing slip used by Help Desk staff to assess customer needs and refer them for services.
- Resource Center staff would be trained to provide information to customers about the financial services and refer them as appropriate.
- LABC partners would conduct regular financial workshops at the center, open to all one-stop customers.
- LABC partners would conduct one session each week of the welfare-to-work job readiness class.
- Members First staff would be on-site at least one day each week to provide individualized financial counseling and referrals.
- Tax preparation would be expanded in 2005, and the LABC would assume responsibility for recruiting volunteers and advertising the site.

While focusing its effort on 6th & Cedar, Members First proposed to take advantage of its branch proximity to the NIA Center by including it in the pilot in the following ways:

- Financial workshops offered under the pilot (at the 6th & Cedar location) would be listed on the monthly calendar available to NIA Center customers.
- NIA Center staff would be encouraged to market credit union services to individual customers as appropriate.
- LABC partners would be invited to attend the final minutes of workshops offered at the NIA Center in order to market pilot services to participants.

Creation of a “Financial Resource Center”

Some pilot activities were offered at the one-stops as early as April 2004, including presentations to welfare-to-work participants and involvement in tax preparation services already being provided at 6th & Cedar. Pilot implementation really began in June, however, when the LABC established what it called a “Financial Resource Center” in a large room at the 6th & Cedar. The space could be used for both individual meetings and group workshops, and had four desks with computers where tax preparation could occur. Members First assigned Stacey Elzy, a Business Development Coordinator with the credit union, as the pilot’s primary staff, and allocated two days of her time each week for the project. Ms. Elzy spent much of her time the first month setting up the site, including arranging the space into areas for workshops and counseling, creating a display bookcase for financial materials, developing posters and flyers, and getting to know the one-stop staff.

Even though it was quickly set up and only lightly staffed, the Financial Resource Center fit right into the one-stop, where a variety of programs already occupied various sections of the building. The biggest drawback of the arrangement was the Financial Resource Center's location around the back of the office. The location meant that customers had to be referred back to find it, and Ms. Elzy spent much of her time "out front" in the one-stop, marketing to customers and bringing them back.

One planned element that did not materialize as hoped was inclusion of pilot activities on the one-stop's internal routing form. Shortly after the pilot began, plans were made to replace the routing slip with a brochure listing all one-stop services. Over the next several months, production of the brochure was repeatedly delayed as the center waited for new services to be in place before finalizing it. Even without being on the routing slip, however, Help Desk staff referred customers to the Financial Resource Center and signed them up for workshops.

Financial Education and Counseling

The LABC quickly implemented a variety of financial education workshops at the one-stop. The schedule of workshops was developed and coordinated by Ms. Elzy, but the workshops themselves were presented by staff from various partners, including Members First, the Center for Women and Families and CCCS.

One set of workshops was integrated into the welfare-to-work job readiness classes already taking place at the one-stop. One day each week, LABC partners conducted an hour-long session with the 15-20 participants, covering the following topics over a four-week cycle:

- budgeting on a paycheck
- debt management
- saving and building assets
- financial services

In addition, a series of weekly workshops was presented each Thursday morning in the Financial Resource Center. These workshops were marketed to all one-stop customers and were moderately well attended (averaging about 10 participants at each). Topics included money management, home ownership and credit repair. A monthly calendar listing all workshops was available to customers at both one-stop locations. Customers could register for the workshops by either calling the center or signing up at the Help Desk. This was important because it allowed customers to register for workshops even on days when no LABC partners were present at the one-stop.

The LABC also provided individual financial counseling to one-stop customers, though this aspect of the pilot was less successfully implemented. Counseling was available by appointment or walk-in every Monday and Thursday, but only a handful of customers sought out this assistance each week. It may have been that marketing one-on-one assistance was a more complicated message to convey than workshops, but it also appears likely that a higher level of staff expertise is required to provide individualized assistance. In the end, most customers seeking advice were referred to workshops or to CCCS for credit counseling.

Financial Services and Asset Development

In addition to information and education, the pilot aimed to directly link one-stop customers with financial services, particularly savings accounts and IDAs. The lead roles played by Members First and the Center for Women and Families were meant to promote this aspect of the pilot, with Members First offering accounts, check cashing, loans, etc., and the Center for Women and Families operating an IDA program. As part of the general outreach at both one-stop locations, LABC staff provided information about these services, made referrals as requested and encouraged customers to follow up on their own.

Linking one-stop customers with financial services was the biggest challenge for the pilot, especially once the focus shifted from the NIA Center – where Members First has a lobby branch – to 6th & Cedar. Past problems with checking accounts created barriers for many customers, but even when customers were interested in and able to open an account, they were unlikely to do so if branch access was inconvenient. The convenience factor was especially problematic regarding check cashing services, which had been identified by the one-stop Director as the single greatest need of customers (who were looking for places to cash their Unemployment Insurance checks). Without a credit union branch nearby, the LABC was unable to offer customers a convenient alternative to expensive check-cashing services.

Despite not having a nearby branch, the pilot was able to refer customers for accounts and did so in creative ways. For example, Members First opened a new account for each welfare-to-work participant as they graduated from the program. The pilot also took advantage of coordination with another one-stop program in regard to IDAs: college-bound teenagers participating in a program at the NIA Center opened IDAs to save for college. Nevertheless, the pilot as implemented primarily provided financial education and not accounts, IDAs or other financial services.

Future Plans

Going forward, the LABC hopes to increase pilot activity in the following ways:

- Implementing an expanded free tax preparation site at 6th & Cedar during the 2005 tax season. The goal is to have the site open two days each week with at least four volunteers available to prepare tax returns.
- Increasing the hours LABC staff are available at the one-stops to have a more continuous presence on site.
- Including all pilot activities as an integrated piece of all internal and external one-stop materials (including the 6th & Cedar brochure).

IV. Pilot Outcomes and Lessons Learned

The pilot proposal included a plan to collect data on the following outcomes for one-stop customers:

- Number who open credit union accounts and use other credit union products
- Number who participate in financial education workshops
- Number who receive free tax preparation
- Number who open Individual Development Accounts
- Number who receive credit counseling
- Customer satisfaction with the services
- Debt reduction and asset development among participants (as available)

Pilot Participation and Service Outcomes

Between April 1 and October 31, 2004, the pilot accomplished the following service outcomes (as tracked by Members First staff) compared with original pilot goals:

Outcome	Actual
# opening a checking or savings account	230
# participating in financial workshops	283
# receiving free tax prep	30
# opening IDAs	18
# receiving credit counseling	115

A few notes should be made regarding the numbers presented above. First, outcomes for accounts and credit counseling are greatly inflated, as they include individuals reached at community events that were not part of the pilot initiative. Second, the number of tax returns reflects the late start for the pilot; only the last two weeks of the tax season are included. No information is currently available on debt reduction or asset development among participants.

Client Surveys

Surveys were completed by 145 people who attended workshops and 32 who received one-on-one counseling and information. The surveys asked questions about employees' financial situations and feedback on the services they received. The surveys found:

- The project is serving a very low-income population: 92% of participants earn less than \$30,000 and 72% earn less than \$10,000. This is partly due to the large percentage of workshops for welfare-to-work participants, who are likely among the lowest-income one-stop customers.
- Participants are not connected to mainstream financial services. Fewer than half have a savings or checking account.
- The vast majority (88%) of participants have debt, and they have multiple forms of debt: credit card (45% of those with debt); car/home loans (36%); personal bank loans (29%); student loans (23%); and family or friend (17%). Thirty percent report having other types of debt – the most common write-in category was hospital or medical bills.

- The amount of debt is also significant: 50% owe more than \$5,000 and 76% owe more than \$1,000.
- Participants give high marks to pilot services. On a scale of 1-5, respondents gave the workshop and individual assistance average ratings of 4 to 4.5 in all areas. Ninety-three percent said they learned something new and 94% would recommend the service to others. Somewhat fewer (74%) said they understand their finances better as a result of the service.

One-stop customers were also asked what financial issues (from a list) they wanted additional information and assistance with. Respondents expressed interest in all listed options, and the responses reinforce the work of the pilot, as the top five responses – saving, credit repair, budgeting, home ownership and IDAs – are all areas addressed by the pilot.

Area of Need	#Number Responding	Percent of Respondents
Saving for your future	81	68%
Credit repair	77	65%
Budgeting	76	64%
Home ownership process	73	61%
IDAs	70	59%
Avoid getting ripped off when finance a purchase	63	53%
Clearing up checking account problems	44	37%
Checking account basics	42	35%
Auto shopping	38	32%

Partner Feedback

Dennis Carman, Director of the 6th & Cedar one-stop, responded to a written survey about the pilot. From his perspective:

- The pilot fits easily into the work of the one-stop and meets a significant need. Their customers – unemployed and underemployed workers and welfare recipients – have significant financial problems.
- The cost of the project to the one-stop is minimal. Outside of the tax season, the space was not being otherwise used. Help Desk staff assist in scheduling customers for workshops when LABC staff are not on-site. Otherwise, interested people find their way back to the Financial Resource Center with little direction from one-stop staff.
- He is strongly supportive of the project, and his interest has only increased since it began (he rated his level of enthusiasm at 9 of 10 going in, and 10 of 10 currently). He believes all pilot components are highly valuable, but cited as most valuable the overall effect of raising awareness of financial issues among one-stop customers.
- His goal for the coming months is to expand the hours of the Financial Resource Center and the number of customers served. In particular, he would like to see the

project prepare 500 tax returns (up from 50 last year) and would like the Financial Resource Center to be staffed full time. He is also interested in finding a more efficient way to get customers from the Help Desk to the Financial Resource Center.

- The pilot should definitely be replicated, and is a particularly good fit for one-stops that have a high volume of traffic. His advice to other one-stop directors would be to promote use of the services by making the Financial Resource Center highly visible to everyone who comes in the door.

Feedback was also received from Mary Fallon, Executive Director of CCSS. From her perspective:

- Participating in the pilot fits the organization's mission. CCCS was asked to facilitate five workshops at the one-stop. The workshops touched on many of the services CCCS provides and educated participants on aspects that make up their credit.
- The workshops appeared to be well-received by and beneficial to participants. Questions were relevant and the sessions went over the allotted time due to the number of questions asked.
- Participants were primarily interested in knowing what their credit score is, what is reported on their credit report, how to understand what their score means in the eyes of a lender, and how to establish or rebuild their credit.
- Workshop participants generally preferred asking personal questions about their financial situation rather than listening to a facilitator talk. Providing more opportunities for one-on-one counseling might better address some of their concerns.

Pilot Costs

The budget for the first nine months of the pilot was \$15,000, almost all for staff salary and benefits. The actual costs of the pilot are somewhat difficult to quantify as so much of the work was accomplished by partner staff outside of the official pilot budget. This includes LABC partners who conducted workshops or who worked with individuals referred by the pilot, as well as senior managers who were involved in pilot planning and design.

Costs to the LABC mainly involved staff time to set up and manage the Financial Resource Center, conduct workshops and provide direct assistance. The one-stop provided in-kind contributions of space and equipment, and one-stop staff also spent time referring customers to the Financial Resource Center and scheduling them for workshops and appointments. There were also some costs for producing and copying outreach and other materials.

Lessons, Challenges and Best Practices

Key early lessons from the pilot include:

- One-stops appear to be promising locations for reaching the target audience for the EITC, financial education and asset development. Customers are low-income, largely

unbanked, and have questions about their financial futures. Furthermore, recently unemployed workers present a unique target group for EITC outreach, as even those whose salaries generally exceed eligibility limits might qualify if they worked only part of a year.

- The one-stop model of providing an assortment of services under one roof made it easy to integrate the financial services piece. Both staff and customers seemed to innately understand the rationale for including those services in one-stop operations. Systems were already in place to route customers to different programs based on their individual needs.
- Working at the one-stop provided both space that the LABC could use for its own programming and other programs with which they could coordinate service delivery. It was remarkably easy to integrate services into other one-stop programs; for example, the LABC simply took over one hour each week of the on-going welfare-to-work classes.
- Not all one-stop locations appear to be good fits for this model. Larger centers, serving more customers with a greater variety of programs, appear to offer the best opportunity – in terms of efficiency and effectiveness – for adding the financial piece.
- Interest in financial information among one-stop customers appeared to be strong. While the pilot provided education mostly in the form of group workshops, there appears to be significant demand for individualized counseling as well.
- One-stop customers may have specific needs – based on sudden changes in their financial situations – not addressed by generic financial education curricula. Tailoring workshops and materials takes additional investment of time and effort.
- The creation of a Financial Resource Center gave the project a physical presence at the one-stop that made it more real for customers and staff, and seems to have helped make the project successful.
- Despite the involvement of the Help Desk and other one-stop staff in referring customers to the Financial Resource Center, investment in direct outreach is critical. The scale of the project was limited by the fact that LABC was only at the site two days each week.
- The pilot's biggest challenge was connecting one-stop customers with savings accounts, check cashing, loans and other products without having a credit union branch on-site or nearby. Without this component, the project is primarily limited to financial education. This will be a key challenge for the next stage of the pilot.
- The one-stop leadership in Louisville was extremely receptive to the pilot and committed in-kind space and staff resources. However, replication depends on other cities showing equal interest – and it remains to be seen if they will. Furthermore, sustaining and growing the project in Louisville would require more significant investment by the WIB. While there is some suggestion that they might be open to this type of investment, it is not clear.

V. Conclusion: Potential for Scale

It is early to draw conclusions about the success of this pilot, but the experience thus far is promising. In fact, given the limited staff time and expertise invested, the pilot achieved some impressive outcomes. The key to these results appears to be twofold: first, the busy location that facilitated outreach and participation; and second, the synergy resulting from combining financial services with workforce development activities already taking place.

The pilot proposal was built on the idea that one-stop customers are an ideal target audience for financial education and asset development, and that that audience could be tapped by physically locating services inside the one-stop centers. The model depended on the willingness of one-stop leadership to not only give space to LABC staff but also integrate delivery of financial services into the functioning of the centers. In Louisville, at least, they have been willing to do so. Whether other cities will be equally receptive is a key question for replication. One promising sign was the response of Daryl Hardy, Acting Administrative Officer of the Workforce Development Bureau for the District of Columbia Department of Employment Services. Following a visit to the one-stop in September, he wrote to request additional information about the pilot, saying that he was very interested in the program and thought it was “extremely valuable, and clearly is going to help a lot of people.”

The model also depends on integrating both financial education and access to financial services (including asset-building opportunities) into the one-stop system. In Louisville, the lack of an on-site or nearby credit union branch made it difficult to connect clients with services – with the result that the pilot was primarily successful in offering financial information and education. Addressing this challenge is a critical prerequisite to achieving the full potential of the model.

While some questions remain, there are positive signals about the model’s potential for achieving all three goals: scale, sustainability and impact:

- **Scale.** The one-stop environment is naturally conducive to scale, as a customers matching the target audience for EITC and asset-building campaigns are already coming in for help, and considering financial needs in this context is a natural fit. As the LABC quickly learned, however, not all one-stops are the same. The one-stop at the NIA Center, originally a target location, turned out to be too small – in terms of both number of customers and diversity of programs – to effectively add financial services. At 6th & Cedar, the large volume of daily traffic provides the basis for achieving scale. The availability of unused space at 6th & Cedar also helps – given sufficient funding, the LABC could have a full-time presence at the one-stop.
- **Impact.** With a small budget and limited investment of staff time, the pilot appears to have made a significant impact by not only providing direct services to a few hundred people, but also broadly raising awareness of financial issues among one-stop staff and customers. The pilot experience suggests that a closer-to-full-time staff presence at the one-stop – especially staff with a greater ability to provide individualized information and advice – would yield a greater impact while still keeping costs

relatively low. Impact is also achieved by catching people at a point in time when financial education and financial services are likely to make a big difference in their ability to successfully transition – whether from employment to unemployment, from one job to another, or from welfare to work.

- **Sustainability.** The keys to sustainability of this model are 1) the interest of the one-stop in continuing to provide financial services and 2) long-term financing. The first appears to be strong. The workforce development leadership in Louisville recognized the value of financial services to their mission and so the project was easy to sell. Somewhat less clear is the potential for institutionalizing the services, with the workforce agency either providing these services directly or –more likely – contracting with organizations like the LABC. This is something the WIB could choose to allocate resources for – the issues are ones of required spending and competing priorities. Feedback on the pilot suggests that they would be open to the idea, and it seems worth attempting to take the model to next level, now that the pilot has shown some implementation success.